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SUBJECT: MEDIA REACTION: U.S.-CHINA RELATIONS, U.S. DIPLOMACY,
FINANCIAL CRISIS

Editorial Quotes

11. U.S.-CHINA RELATIONS

a. "U.S. to offer more carrots, fewer sticks abroad"

The official English-language newspaper China Daily (03/12): "Smart power replaces the lineal trade-off model of hard power, or the threat of actual use of bullets or other armed military force, with soft power, or the power of ideas, at the other end of the scale. Too much force has only created or encouraged more enemies. Throughout the cold war, the U.S. projected an image of vast technical competence....But in the past eight years, the U.S. projected a very different, or to be more exact, a bullying image. Now the domestic reality in the U.S. asks for wiser policies abroad. It would simply be the smart thing to do. Smart power could start to make a difference. But it will not solve all of the U.S.' problems if it shows no respect for other countries and recognizes their legitimate interests in their regions. While the new administration has extended a hand, it remains to be seen if others will accept it."

b. "U.S. military conducts intensive intelligence activities around China; The U.S.-China dispute in the South China Sea"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(03/12): "The U.S.-China dispute concerning the incident in the South China Sea is quickly expanding. Since the 1990s, U.S.-China frictions between the spying and anti-spying activities around China have not ceased. This confrontation is considered the most serious incident since the airplane collision in 12001. Long term spying activities by the U.S. in China's waters and air space have greatly threatened China's national security. China's move expelling the American ship should be affirmed. Recently, since foreign media have been repeatedly reporting on China's construction of a harbor base for submarines or even aircraft carriers at Hainan, American surveillance ships took the risk of spying in the area. Up to this point, only a small part of the U.S.'s spying activities near China's coastal area have been revealed. The U.S. military has constructed an all-around spying network against China, maintaining intensive and continuous surveillance. Chinese military experts indicate that it is very abnormal for the U.S. to always spy on China in China's neighboring area. What if Chinese spy airplanes spy on the U.S. coastal area? China has been enduring this for a long time, considering the bilateral relations, which however has offered an excuse for the U.S. to upgrade its spying activities wantonly. China is sending a clear signal to the U.S. that other countries' sovereignty should be respected. Anti-spying fights will test the Chinese military's wisdom and ability in the future."

12. U.S. DIPLOMACY

"Hillary's [Secretary Clinton's] 'diplomatic show'"

21 Century Business Herald (21Shiji Jingji Baodao) under Guangdong 21 Century Publishing Company Ltd. (03/12): "U.S. Secretary of State Hillary [Clinton] has finally finished her trip around the globe and her so called 'smart power' is gradually taking shape. However, it lacks a fresh feeling. After Obama took office, there was a chance for the U.S. to repair its relationship with the Middle East and Europe. Hillary's [Clinton] trip was part of this plan. Like a goodwill ambassador she had big smiles, said nice things and avoided controversial issues. However, the success of the trip, this far, is only successful atmospherics. She has gone too far in 'putting on the show.' Obama and Hillary's [Clinton's] 'smart power' diplomacy have made people feel that it is like an election campaign. As Kennedy once said, 'sincerity needs to be always verified.' This 'diplomatic show' will not solve the foreign problems of the U.S."

13. FINANCIAL CRISIS

"To give up free trade is equal to giving up leadership"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(03/12): "The growth of the global economy is symbolized by Western oceanic hegemony. They control the world trade channels and are establishing and maintaining the international trade lines. All of these [Western hegemonic] countries support free trade at sea. Free trade and protectionism are mutually complimentary and reversible. Free trade does not simply lead to a win-win result and protectionism doesn't mean a loss for both sides.

It is necessary that an international leader should insist on free trade and take on international responsibilities. With a long-term

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large trade deficit, can a country's currency supply the world, set up currency hegemony, etc? This time the economy of the U.S. and the world has gone wrong. The U.S. attitude was the worst. The U.S. does not lack resources, but what it needs is cultural and moral strength. It is the U.S. political system that has problems. U.S. Congressmen lack an international point of view and are only responsible for their citizens and interests groups. In this way, the U.S. will lose its leadership role and the international economic order will be destroyed by the U.S. Ironically China, described as narrow-minded nationalists by the West, upholds free trade this time. China is willing to take on larger responsibilities. Stabilizing the domestic economy and developing it is the most important task for China. China is proving to the world that China's rise has only brought peace and stability, not threat."

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